GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:1788
ANSWERED ON:25.07.2002
PRICES OF PETROLEUM PRODUCTS
RAMJI LAL SUMAN;SUSHIL KUMAR INDORA

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government have formulated any basic mechanism for determining the prices of products of oil companies;

(b) if so, the details thereof and the reasons for adopting this mechanism;

(c) whether the Government have felt the need to improve the existing basic mechanism for determining the prices of oil products; and

(d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS AND MINISTER OF STATE IN THE MINIS PARLIAMENTARY AFFAIRS. (SHRI SANTOSH KUMAR GANGWAR)

(a) to (d): With the dismantling of the Administered Pricing Mechanism effective 1st April 2002, the pricing of all petroleum products, except for PDS kerosene and domestic LPG, which continue to be subsidized products, has been decontrolled. The public sector oil companies are now fixing the prices of these products after taking into account the prevalent international oil prices.